

Information regarding the compensation and benefits of the Executive Management (*Direction Générale*)

The Board of Directors of Imerys was convened on March 8, 2018 in order to consider the recommendations of the Compensation Committee regarding the compensation of the executive corporate officers of the Company.

These officers include Gilles Michel, as Chairman and Chief Executive Officer, and Conrad Keijzer appointed by the Board at the same meeting as Deputy Chief Executive Officer and future Chief Executive Officer of the Company (see press release on Corporate Governance dated March 8, 2018). Some of these proposals are subject to the approval of the next Ordinary and Extraordinary Shareholders' General Meeting scheduled to take place on May 4, 2018.

▪ Compensation for 2018

The components of compensation of the two members of the Executive Management (Gilles Michel and Conrad Keijzer) for the year 2018 have been set by the Board of Directors of March 8, 2018, based on the recommendations of the Compensation Committee.

Such items are generally in line with the general compensation policy for the Executive Management of the Company as approved by the Shareholders' General Meeting of May 3, 2017 ("*ex-ante* vote"), except for the specific item relating to the appointment of Conrad Keijzer and his impatriation to France which will be submitted to the next Shareholders' General Meeting to be held on May 4, 2018 for approval.

Fixed compensation

The respective gross fixed compensation of the Executive Management, on a yearly basis, has been set down by the Board at its meeting of March 8, 2018:

- for Gilles Michel, in his capacity as Chairman and Chief Executive Officer until May 4, 2018, at an unchanged amount of 800,000 euros;
- for Conrad Keijzer, in his capacity as Deputy Chief Executive Officer since March 8, 2018 and subsequently as Chief Executive Officer, at 700,000 euros.

Variable compensation

The quantitative criteria applied for the year 2018 are identical for Gilles Michel, as Chairman and Chief Executive Officer, and Conrad Keijzer, as Deputy Chief Executive Officer and subsequently as Chief Executive Officer. Such criteria have been established based on the Group's budget as approved by the Board of Directors in December 2017.

- Such quantitative criteria are of the same nature as those set for 2017 and each criterion has the same weighting (50% for the Group's net current income, 30% for its free operating cash flow and 20% for its return on capital employed).
- The amount resulting from the degree of achievement of the quantitative criteria is calculated on a reference base equal to 110% of the fixed annual compensation and applying a multiplying factor ranging from 0.8 to 1.2 according to the achievement of the qualitative criteria.

Furthermore, it is specified that the overall completion percentage for such quantitative criteria (in relation to annual fixed compensation), may be increased or decreased by 3% based on the achievement of a specific objective relating to workplace safety, common to all Group's senior managers.

As determined by the Board of March 8, 2018, the qualitative criteria applied to determine the abovementioned multiplying factor are identical for Gilles Michel and Conrad Keijzer, in their respective capacity of Chief Executive Officer Deputy and Chief Executive Officer.

Such qualitative criteria are based on the achievement of specific objectives relating to the successful implementation of the Group's strategy, its continued growth and the development of certain talent management programs.

The qualitative criteria applicable to Conrad Keijzer shall be revised, upon the taking up of his office as Chief Executive Officer, by the Board of Directors meeting scheduled on May 4, 2018, based on the recommendations of the Compensation Committee.

The confidential nature of the details of such qualitative criteria prevents them from being published in full.

The total variable compensation that may be awarded is limited to 132% of the annual fixed compensation.

The payment of variable compensation to Gilles Michel and Conrad Keijzer will be subject to the determination of the degree of fulfillment of the quantitative and qualitative criteria by the Board of Directors, based on the recommendations of the Compensation Committee, and to the approval of the Shareholders' General Meeting convened in 2019 to rule on the financial statements for the financial year ended on December 31, 2018 ("ex post vote").

▪ **Other benefits and undertakings benefiting the Deputy Chief Executive Officer (*Directeur Général Délégué*)**

Severance pay (indemnité de départ)

The Board of Directors granted Conrad Keijzer a severance indemnity in the event of his forced departure as a result of a change in control or in strategy or a major disagreement over the latter. No indemnity would be due in the event of Conrad Keijzer's voluntary departure or if he had the possibility to claim retirement benefits within a short period of time or in the event of gross or willful misconduct (*faute grave ou lourde*) on his part.

In accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code and according to the methods of calculation set out below, the maximum amount of Conrad Keijzer's severance indemnity would be calculated on the basis of two years of (fixed and variable) compensation in the event that his term of office exceeds a period of two years.

Pursuant to the provisions of Article L. 225-42-1 of the French Code of Commerce, the payment of such severance indemnity would be subject to, and made in proportion of, a performance condition to be assessed on the basis of the arithmetic average value of the percentages of achievement of the quantitative criteria over the last three financial years ended, as set in order to determine the variable compensation with respect to each of such financial years. If the average percentage of achievement of such objectives (calculated over the last three financial years in the event of departure following the expiry of his term of office) is lower than 40%, no indemnity would be payable and, if it is higher than 80%, the maximum amount of indemnity would be payable.

Conrad Keijzer will be subject to a non-competition obligation for a two-year period from the date of termination of his duties as Chief Executive Officer, with no compensation other than his severance pay, if any.

Impatriation bonus

Subject to the approval of the next Shareholders' General Meeting, Conrad Keijzer shall benefit from an annual "impatriation bonus", which shall be equal to 30% of his fixed and variable compensation paid in respect of each financial year. Its payment shall give rise to a monthly down payment and an adjustment of its final amount upon the payment of the relevant annual variable compensation.

Other undertakings

Conrad Keijzer shall benefit from the sole supplementary fixed-contribution pension plan established for the benefit of some of Imerys' senior managers, which provides for a contribution of 8% of the compensation of eligible employees, is limited to 8 times the French social security ceiling ("PASS"), and is paid into jointly by the beneficiary (3%) and by the Company (5%). Conrad Keijzer also benefits from the social guarantee for company managers and executives (GSC) and a company car.

All of these commitments made for the benefit of Conrad Keijzer in particular the granting of severance pay and the entitlement to the supplementary fixed-contribution pension plan have been authorized by the Board of Directors pursuant to the provisions of Article L. 225-42-1 of the French Code of Commerce and remains subject to the approval of the Shareholders' General Meeting convened in 2019 to rule on the financial statements for the financial year ended on December 31, 2018.

Apart from these provisions, the Company has not entered into any other undertakings in favor of Conrad Keijzer as a result of him taking up his duties, or the termination or change of such duties as Deputy Chief Executive Officer and subsequently as Chief Executive Officer from the date of the next Shareholders' General Meeting.

At its meeting scheduled to take place on the same date, the Board will determine, based on the recommendations of the Compensation Committee:

- the revised scale of attendance fees (*jetons de présence*) to be granted to Directors and in particular to Gilles Michel in his capacity as Chairman of the Board;
- the financial terms and conditions associated with the termination of Gilles Michel's duties as Chief Executive Officer, the latter having indicated his intention to claim retirement benefits following the expiry of his term of office as Chief Executive Officer following the next Shareholders' General Meeting;
- the grant of performance shares to Conrad Keijzer, in accordance with the long-term retention policy for senior managers of the Group.

Those items will be published on the Company's website following their determination by the Board.

▪ **Variable compensation for 2017 of the Chairman and Chief Executive Officer**

At its meeting on February 15, 2017, the Board of Directors set the quantitative and qualitative criteria to be used to determine the amount of the variable compensation of Gilles Michel, as Chairman and Chief Executive Officer, for the year 2017 (see publication of February 16 and supplementary publication of December 15, 2017).

Based on the recommendation of the Compensation Committee, at its meeting of March 8, 2018, the Board of Directors determined the amount of the variable compensation relating to 2017 that shall be paid to Gilles Michel in 2018 subject to the approval of the Shareholders' General Meeting of May 4, 2018.

Such compensation amounts to 996,864 euros, corresponding to a percentage of 124.61% of the fixed remuneration for 2017. Such sum results from:

- the fulfillment of 96.9% of the quantitative criteria, with 100% for the criterion relating to the Group's net current income, 100% relating to its free operating cash flow and 84.70% relating to its return on capital employed; and
- the fulfillment of 100% of the qualitative criteria, i.e., the application of a multiplying factor of 1.2, which reflects the successful performance of the specific objectives that had been set for Gilles Michel, and
- the application of a 3% reduction relating to the failure to achieve the specific objective set with regard to workplace safety.

The world leader in mineral-based specialty solutions for industry. with €4.6 billion revenue and close to 18,000 employees in 2017. Imerys delivers high value-added, functional solutions to a great number of sectors, from processing industries to consumer goods. The Group draws on its knowledge of applications, technological expertise and its material science know-how to deliver resources based on beneficiation of its mineral resources, synthetic minerals and formulations. These contribute essential properties to customers' products and performance, including refractoriness, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and repellency. Imerys is determined to develop responsibly, in particular by fostering the emergence of environmentally-friendly products and processes.

More comprehensive information about Imerys may be obtained from its website (www.imerys.com) under Regulated Information, particularly in its Registration Document filed with Autorité des marchés financiers on March 21, 2017 under number D.17-0190 (also available from the Autorité des marchés financiers website. www.amf-france.org). Imerys draws the attention of investors to chapter 4. "Risk Factors and Internal Control" of its Registration Document.